currency balances including any restriction on investment in any form outside India.

Increase in Government's subsidies

716. SHRI PREM CHAND GUPTA: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that Government's bill on the major subsidies like food, fertiliser and petroleum rose by around Rs. 9744 crores to top Rs. 26,495 crores during the period from April, 2003 to September, 2003 as compared to Rs. 16,751 crores for the previous year amounting to 58 per cent increase in our subsidy bill;

(b) whether it resulted in a 60 per cent increase in our fiscal deficit; and

(c) if so, what are Government's views on this?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI ANANDRAO VITHOBA ADSUL): (a) Yes, Sir. Government expenditure on major subsidies during the first half of the financial year 2003-04 was Rs. 26,495 crore, which represents an increase of Rs. 9,744 crore (58.2 per cent) over corresponding period previous year.

(b) Fiscal deficit for April-September 2003 was Rs. 81,014 crore, which is 52.7 per cent of Budget Estimates. The fiscal deficit in nominal terms has grown by 40.3 per cent in April-September, 2003 over April-September 2002. The increase of Rs. 9,744 crore on account of major subsidies in April-September 2003 accounts for only 41.9 per cent of the increase in fiscal deficit of Rs. 23,268 crore over corresponding period last year.

(c) As indicated in the following table, the increase in major subsidies in the first six months of the current financial year is mainly on account of increase in subsidies on food, petroleum products and indigenous fertilisers.

Major subsidies

(Rs. Crore)

Items	April-Sept. 2002	April-Sept. 2003
1	2	3
Food	11596	16006
Fertiliser (Indigenous)	3917	5576

1	2	3
Fertiliser (Imported)	(-)8	0.2
Decontrolled fertiliser	1247	1126
Petroleum	0	3730
NAFED for MIS/PSS	0	56
*TOTAL :	16751	26495

*Totals may not tally on account of rounding of figures.

Recovery of unpaid taxes by credit card companies

717. SHRI PRITHVIRAJ CHAVAN: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that the credit card companies when converting their foreign exchange sales abroad to Indian currency, do charge commission from their Indian Consumers, but are not paying service tax on the commission amount;

(b) whether it is also a fact that such invoices of these companies do not separately show the exchange rate, the commission charged and service tax;

(c) if so, whether Government agree that these companies have underpaid the service taxes; and

(d) what steps Government would take to recover the unpaid taxes?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SHRIPAD YESSO NAIK): (a) Service Tax is chargeable on the service provided to a customers in relation to provisions of credit card services. The Service Tax is charged on the total amount collected by the credit card provider from the holder of the credit card. Accordingly, Service Tax is being levied on the amounts like joining free, additional card fee, annual fee, replacement card fee, cash advance fee, charges for statement retrieval fee, interest on delayed payment, or any other similar charges etc.

(b) No, Sir.

(c) and (d) Does not arise.